

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE
MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION**

IN RE:

UNITED PLASTIC RECYCLING, INC

**Debtor and Debtor In
Possession,**

CASE NO. 15-32928-WRS

Chapter 11

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE
MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION**

IN RE:

UNITED LANDS, LLC,

**Debtor and Debtor In
Possession,**

CASE NO. 15-32926-DHW

Chapter 11

MOTION FOR JOINT ADMINISTRATION, REQUEST FOR EXPEDITED RELIEF

COMES NOW United Plastic Recycling, Inc. ("Plastic"), Debtor and Debtor-In-Possession in Bankruptcy Case No. 15-32928-WRS, and United Lands, LLC ("Lands") Debtor and Debtor-In-Possession in Bankruptcy case No.15-32926-DHW, and file this motion for joint administration, and request that this matter be heard on an expedited basis, and in support thereof, state as follows:

PROCEDURAL BACKGROUND

1. United, October 16, 2015, and Lands, on October 16, 2015, (collectively the "Debtors"), filed their respective voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code"), thereby initiating their bankruptcy cases and creating their respective bankruptcy estates (the "Estates").

2. The Debtors continue to operate their businesses and to manage the Estates as debtors-in-possession. No committee, trustee, or examiner has been appointed to date in either case.

3. The Court has jurisdiction over the Bankruptcy Cases and this motion under 28 U.S.C. § 1334. Such jurisdiction is core under 28 U.S.C. 157(b)(2). Venue of the Bankruptcy Cases before this Court is appropriate under 28 U.S.C. §§ 1408 and 1409.

FACTUAL BACKGROUND

4. Debtor United is an Alabama corporation organized and existing under the laws of the State of Alabama, with substantially all its assets and facilities in Montgomery, Montgomery County, Alabama. United was formed, October 29, 1991. The Debtor's facilities are located at 3000 Selma Highway, Montgomery, AL, 36108. The Company currently operates a facility that handles scrap plastic and recycling operations in Montgomery, Alabama.

5. Debtor Land is an Alabama Limited liability company organized and existing under the laws of the State of Alabama, with substantially all its assets and facilities in Montgomery, Montgomery County, Alabama. Land was formed December 13, 2004. The Debtor's facilities are also located at 3000 Selma Highway, Montgomery, AL, 36108. The Company was organized to buy, sell, or own both real and personal property.

6. The officers of United are also the managing members of Land.

7. The Debtors' Senior Lender, Renasant Bank, has a secured line of credit in the amount of \$2,276,500.00. This note has matured and Renasant has demanded full payment of

the remaining balance.

8. Accordingly, the Debtors were forced to seek protection under Chapter 11 of the Bankruptcy Code to prevent what appeared to be an imminent foreclosure of the primary lender's security interest in the interests in cash collateral, which would have had the effect essentially stopping production and closing the business.

9. The Debtors therefore filed the two bankruptcy cases to prevent foreclosure, preserve and protect their assets, to maximize the value of their businesses, to provide an avenue for the reorganization of their businesses, to provide for a centralized forum for the adjudication of various disputes, and to ensure the just, equitable, and legal treatment of all of their creditors.

RELIEF REQUESTED

10. Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure, the Debtors request the joint administration of the United, Case No. 15-32928-WRS, and Land Case No. 15-32926, under case number 15-32928-WRS (the "Jointly Administered Case").

11. In pertinent part, Rule 1015(b) provides that the Court may order joint administration of bankruptcy estates if "two or more petitions are pending in the same court by . . . (2) a partnership and one or more of its general partners, or (3) two or more general partners, or (4) a debtor and an affiliate," Fed. R. Bankr. P. Rule 1015(b).

12. In this case, the Debtors share a management team and location. One of the Debtors, United Lands, LLC, owns the real property assets of the two entities, and United

Plastic Recycling, Inc., owns the personal property assets. Their relationship would be best characterized as affiliates.

13. Accordingly, the procedural consolidation (not substantive) of the Debtors, and the joint administration of the Bankruptcy Cases, is appropriate under Rule 1015(b).

14. Additionally, solid procedural and efficiency goals support the joint administration of the Bankruptcy Case, including the following:

- a. the Debtors share common management;
- b. joint administration will spare the Debtors, creditors, and all parties in interest the burden of filing separate motions and applications in each of the Bankruptcy Case
- c. there is no overlap of creditors between both Debtors;
- d. similar matters are likely to arise in both Bankruptcy Cases;
- e. the Debtors will request approval of Memory & Day to serve as their general counsel, and the fees and expenses associated therewith will be minimized if duplication related to filing, copying, and service can be avoided.

15. Accordingly, hearing and adjudicating all matters arising in the Bankruptcy Case under one case number and style will reduce delays and potentially inconsistent results, and will promote judicial economy. Joint administration will likewise spare potential witnesses the burdens of being called to testify in two separate cases. Additionally, the respective Estates will be spared multiple sets of expenses and professional fees associated with litigating virtually identical issues in four separate cases.

16. Joint administration will not affect the rights of any creditor or party-in-interest because the Debtors request joint administration for procedural purposes only.

Notwithstanding joint administration, each creditor will be entitled to file a proof of claim against a particular Estate.

17. The Debtors propose to consolidate the Land mailing lists into the United case as one master list for future use, and request the Court's approval of the same.

18. To implement any order granting this Motion, the Debtors request that the Court order the clerk of the Court to include the following entry on the docket of the United case:

ORDERED THAT THIS BANKRUPTCY CASE IS TO BE JOINTLY ADMINISTERED FOR PROCEDURAL PURPOSES UNDER CASE NO. 15-32928. ALL FILINGS AFFECTING EITHER CASE ARE TO BE FILED IN CASE 15-32928, EXCEPT THAT PROOFS OF CLAIM, SCHEDULES, AND STATEMENTS OF FINANCIAL AFFAIRS ARE TO BE FILED IN THE RESPECTIVE INDIVIDUAL CASES.

WHEREFORE, PREMISES CONSIDERED, the Debtors respectfully request that the Court enter an order: (i) providing for the joint administration of the United case with the Land case; (ii) consolidating the mailing lists in the United Case for future noticing requirements; (iii) ordering that all documents (except proofs of claim) to be filed in the United Case be filed in the jointly administered case styled United Plastic Recycling, Inc. under Case No. 15-32928 regardless of whether such filing affects one or more of the Debtors; (iv) ordering that creditors continue to file proofs of claim against Land notwithstanding said joint administration; and (v) granting the Debtors such other and further relief to which they may show themselves to be justly entitled.

Respectfully submitted on this the 25th day of October 2015.

Memory & Day

By: Von G. Memory
Von G. Memory
ASB-8137-071V

James L. Day
ASB-1256-A55J

Attorneys for United
Plastic Recycling, Inc. and
United Lands, LLC

Memory & Day
Post Office Box 4054
Montgomery, Alabama 36103-4054
Tel (334) 834-8000
Fax (334) 834-8001
Email vgmemory@memorylegal.com
jlday@memorylegal.com

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing document on the following, by:

- ☒ placing same in the United States Mail, postage prepaid, and properly addressed
- ☒ E-mail (AlaFile) or ECF (Pursuant to Fed. R. Bankr. P. 9036)
- ☐ facsimile
- ☐ hand delivery
- ☐ delivered in open court

on October 25, 2015.

U.S. Bankruptcy Administrator
Federal Building and United States Courthouse
One Church Street, Suite 103
Montgomery, AL 36104

/S/ Von G. Memory
Von G. Memory